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MEMORANDUM FOR DIRECTOR OF CENTRAL INTELLIGENCE

THROUGH: AD/NE and DD/I

SUBJECT: Meeting of Consultants on National Estimates

1. The O/NE Consultants met on 14 and 15 January at ⬚ 25X1 discussing preliminary drafts of our Estimates on probable developments in Western Europe (NIE-101), and on the effects of growing Soviet nuclear capabilities on the policies of our principal allies (NIE-105).

2. The Consultants almost unanimously felt that EDC would not be ratified, at least within the next six months -- this judgment reversed their majority opinion at the previous meetings in November. They felt that the likelihood of appreciable further progress in European integration was slight. With respect to West European economic prospects the Consultants' views were more optimistic than those generally current.

3. In the course of the discussions an interesting though highly tentative view of the future of the Western European political situation emerged, substantially as follows: the Western European countries remaining allied to the US, receptive to US assistance, opposed to the USSR, but feeling that their defense against the USSR, realistically speaking, lay only in the power of the US, especially in the light of growing Soviet nuclear capabilities. Accordingly, the Western Europeans may act on the assumptions that further military integration would not contribute greatly to this defense, and that within the broad framework of the US - USSR balance of power they may be able to operate as independent nations in a smaller, Western European, power system. Under such circumstances their main preoccupation will be not with the Soviet Bloc but with Germany.

4. In a general discussion of various other Estimates the Consultants felt that we might have been too optimistic as to the effects on India of a grant of <u>military aid</u> to Pakistan (SE-55). Some of the Consultants, especially [   ] raised the question of whether, having been perhaps too jittery about the chances of war in 1950, we were now tending to be too relaxed.

25X1

5. The next meetings will be held on 11 - 12 March and 21 - 22 April.

25X1

Chairman, Panel of Consultants

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